

**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT  
GLOBAL DEVELOPMENT ALLIANCE SECRETARIAT**

**ANNUAL PROGRAM STATEMENT**

**APS No: M/OAA/GRO/EGAS – 06 - 107**

**PUBLIC PRIVATE ALLIANCES**

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**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

**ANNUAL PROGRAM STATEMENT**

**APS No: M/OAA/GRO/EGAS – 06 - 107**

**PUBLIC PRIVATE ALLIANCES  
IN**

- A) AGRICULTURE**
- B) ANTI-CORRUPTION/GOVERNANCE/CIVIL SOCIETY  
STRENGTHENING**
- C) CONFLICT/ RELIEF AND HUMANITARIAN ASSISTANCE**
- D) ECONOMIC GROWTH AND TRADE CAPACITY BUILDING**
- E) EDUCATION**
- F) ENVIRONMENT/ENERGY**
- G) FOOD SECURITY**
- H) HEALTH**
- I) INFORMATION TECHNOLOGY**
- J) URBAN PROGRAMS**

Issuance Date:

Closing Date: September 30, 2006

CFDA #: 98.011

This program is authorized in accordance with Part I of the Foreign Assistance Act of 1961 as amended.

Ladies/Gentlemen:

The Global Development Alliance Secretariat of the United States Agency for International Development (USAID) invites interest from prospective partner organizations to form public-private alliances to carry out activities in support of USAID's international development objectives. Alliance partners are expected to bring significant new resources, ideas, technologies, and/or partners to address development problems in countries where USAID is currently working. Partners could include a wide range of organizations such as: foundations, U.S. and non-U.S. non-governmental organizations (NGOs), U.S. and non-U.S. private businesses, business and trade associations, international organizations, U.S. and non-U.S. colleges and universities, U.S. cities and states, other U.S. Government agencies, civic groups, other donor governments, host country governments, regional organizations, host country parastatals, philanthropic leaders including venture capitalists, public figures, advocacy groups, pension funds and employee-welfare plans, etc. Successful proposals will bring at least a 1:1 resource leveraging to focus on priority development activities within USAID's manageable interest. However, proposals with greater resource leverage ratios (generally 2:1 or more) are more competitive.

Since FY 2002, USAID has obligated \$1.1 billion to approximately 290 public-private alliances worldwide, and leveraged over \$3.7 billion in committed partner contributions.<sup>1</sup>

Through these alliances, USAID has not only gained additional financial resources for development activities, but also new technologies, intellectual capital and technical and managerial expertise that enhance its ability to address an increasingly complex set of development challenges. This solicitation is encouraging and creating the competitive environment for new alliances to be created in FY06.

## **I. BACKGROUND**

USAID is committed to improving the way we implement our foreign assistance mandate through broader collaboration with others. No longer are governments, international organizations, and multilateral development banks the only assistance donors. Rather, over the past 30 years, non-governmental organizations (NGOs)/private voluntary organizations (PVOs), cooperatives, faith-based organizations, foundations, corporations, the higher education community, and even individuals (including remittances from immigrants), now provide a greater portion of the total resources that contribute to development. As a result, the U.S. Government recognizes an exciting opportunity to enhance the impact of development assistance by improving and extending its collaboration with other partners.

USAID has successfully developed strategic alliances in the past with an extensive range of partners, notably NGOs, U.S. universities and colleges, and bilateral and multilateral donor agencies. In 2001, USAID launched the Global Development Alliance (GDA) business model to extend this concept further by, first, increasing the range of prospective partners to include private businesses, foundations, and other private-sector organizations, and, second, seeking alliances with partners that leverage significant resources and technologies, to address international development issues.

USAID is reorienting how it sees itself in the context of international development assistance, how it relates to traditional partners, and how it seeks out alliances with new partners. USAID uses its resources and expertise to assist strategic partners in their investment decisions and stimulates new investments by bringing new actors and ideas to the overseas development arena. While the Agency will continue to deploy resources where private funding is not available and where the governmental role is clear and pre-eminent (as in promoting policy change), it hopes, through the use of public-private alliances where appropriate, to stimulate new investment and new practices. USAID has much to offer with its unique mandate within the U.S. Government and long-term experience with, and access to, host-country governments. The Agency is able to capitalize on its extensive field presence, network of local development partners and technical expertise to catalyze, integrate, coordinate, and facilitate public-private alliances among development assistance actors. USAID recognizes that effective alliances will marry common interests and will require time and careful planning. However, such alliances have the potential for not only mobilizing additional resources for development assistance programs worldwide, but also promoting greater effectiveness

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<sup>1</sup> This information is updated regularly and subject to change.

of those programs, and hence greater impact on the problems of poverty, disease, inadequate education, depletion of natural resources, and limited economic opportunity throughout the developing world.

In developing public-private alliances congruent with the GDA business model, USAID uses the following precepts:

- Alliances are expected to bring significant new resources, ideas, technologies and/or partners to address development problems in countries where USAID works. (See [Annex A](#) for a listing of USAID Mission Presence Countries).
- Alliances should demonstrate a minimum of one-to-one leverage ratio of resources. At least some portion of the leverage must be in the form of cash. The partner contribution must include private (meaning non-public) resources at least equal to 25% of the value of the expected USAID resources.<sup>2</sup> **USAID is particularly interested in alliance opportunities where its resources are leveraged at a two-to-one or greater ratio.** Please note that individual USAID missions/operating units may require additional leverage greater than one-to-one. In addition to monetary contributions, in-kind resources such as services, property, volunteer time, equipment, and supplies are also valuable contributions. Alliance proposals must clearly specify what each party is contributing and indicate the cash value of in-kind support.
- While alliance proposals must specify what each party is contributing at the outset, it is also recognized that lasting alliances are dynamic and changing. Some alliances will start small and expand over time; as the alliance matures and succeeds, trust is built, and the benefits to the partners and beneficiaries become clearer.
- In general, alliances with USAID funding are expected to operate in countries where USAID has field missions and to fit within the strategic objectives of these missions and/or the appropriate Washington operating unit. However, broad, multi-country alliances that are addressing priority development issues may operate in countries where USAID does not have a field mission.
- Alliances must clearly establish up front how the interests and objectives of each party converge. This expression of interests and objectives should then lead to an operational plan that, if successfully implemented, will produce clearly defined development results.
- Alliances should not simply be grants to organizations that have expressed an intention to seek third party partnerships that are not yet formed. The Global Development Alliance business model seeks relationships and resources beyond traditional norms.

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<sup>2</sup> As an illustration, if expected USAID resources are \$100,000, then at least \$25,000 of total partner contributions must be from non-public sources, regardless of the total amount of partner resources that will be brought to bear.

- It is important to exercise due diligence before entering into alliance arrangements with partners. To ensure that the interests of all alliance partners are protected, the track record, objectives, financial, social and environmental practices, and reputations of all alliance partners need to be examined.
- There is no pre-defined minimum or maximum number of partners; each alliance will be different. There are many categories of potential alliance partners.
- Fairness and transparency are overarching principles in forming alliances. Exploration of possible alliances should take place in a transparent manner and should involve wide consultation with possible partners.
- Like all development investments, alliance activities at the country level that actively involve local leadership and local beneficiaries (this includes women and men) in design and implementation are the ones most likely to be successful and sustainable. Local ownership, leadership and beneficiary participation are still keys to success.
- All USAID-financed programs and activities must comply with USAID's environmental procedures set forth at 22 CFR 216.<sup>3</sup>

Please refer to the GDA website at [www.usaid.gov/gda](http://www.usaid.gov/gda) for more information about the history and objectives of this initiative. In addition, the website has GDA's "*Tools for Alliance Builders*," [www.usaid.gov/our\\_work/global\\_partnerships/gda/tab.doc](http://www.usaid.gov/our_work/global_partnerships/gda/tab.doc), which contains in-depth information to assist in the due diligence process, as well as mechanisms and approaches to alliance formation. The web site also provides examples of recent alliances worldwide.

Please also refer to [www.usaid.gov/policy/ads/300/303.pdf](http://www.usaid.gov/policy/ads/300/303.pdf) for governing regulations, standard provisions, and required certifications that will need to be submitted by applicants at the time of award.

#### **A. Important Differences from Previous Requests For Applications and Annual Program Statements in Public Private Alliances**

For those applicants who have submitted alliance proposals previously, please note the following changes:

- Prospective alliances must seek USAID field mission or Washington operating unit agreement to proceed before submitting a full application by preparing and submitting a concept paper to those units and gaining their concurrence to move forward to the application stage (see [Annex B](#) for Mission Points of Contact).
- Only upon receipt of positive Mission/Washington operating unit feedback is the applicant to put together a full application for Mission/Washington operating unit consideration. **Applications are to be submitted directly to the Missions or**

<sup>3</sup> Please see Appendix XVIII, from *Tools for Alliance Builders*.

[http://www.usaid.gov/our\\_work/global\\_partnerships/gda/tab/September2004Toolkit-AppendixXVIII.pdf](http://www.usaid.gov/our_work/global_partnerships/gda/tab/September2004Toolkit-AppendixXVIII.pdf)

**Washington operating units.** Applications may be submitted throughout the fiscal year, though it is highly recommended that applicants submit concept papers to Mission/Washington operating units by December 16, 2005. This will allow Mission/Washington operating unit to consider these concepts early in the fiscal year and apply for GDA Incentive Funds if necessary (Please see [Annex C](#)). Applications received later than December 16, 2005 despite deserving support, may not be able to obtain funds simply because available funds may already have been earmarked for deserving proposals that were received on or before December 16, 2005. However, such proposals if received before September 30, 2006 may be considered for funding in FY2007.

- There is no minimum or maximum financial contribution that may be sought from USAID under this APS. For reference purposes only, past awards have ranged from \$200,000 to \$1,000,000. Mission or Washington operating unit awards may determine a different range for their own awards.
- A minimum non-USAID resource leverage of at least 1:1 is necessary for an application to be even considered. However, alliances that leverage outside resources of at least 2:1 are preferred. It is still a requirement that at least some portion of the leveraging be in cash, and that the partner contribution must include private resources at least equal to 25% of the value of the expected USAID resources. Please note that, alliances in which significant outside resources leveraged are generally more competitive.
- This utilization of an initial concept paper approach in the solicitation is further intended to provide a window of opportunity for resource partners to discuss with USAID staff their mutual interests in working together to build alliances that are of a common cause. Similarly, the APS also provides a window for USAID staff to discuss possible alliances with potential resource partners to identify activities of mutual interests.
- The GDA Secretariat will continue to consider Mission/Washington operating unit requests for Incentive Fund support.<sup>4</sup> See [Annex C](#) for further information regarding the Incentive Fund.
- The GDA Secretariat will also use this APS to solicit and review alliances.

Please note that this solicitation is also intended to encourage the use of the Collaboration Agreement, a new obligating instrument for building alliances, where appropriate. USAID routinely uses grants and cooperative agreements as implementing mechanisms to resource many public-private alliances. However, a relationship between USAID and another resource partner may not be best supported by conventional assistance instruments, particularly when dealing with non-traditional partners, (e.g. a private organization offering resources at a leveraged ratio in excess of one to one, whose principal business purpose is other than foreign development assistance, and who has not routinely received federal funding under traditional grants and cooperative agreements). The Collaboration Agreement is an innovative mechanism and may be considered for use as an implementing instrument when:

- A Non-Traditional Partner will be receiving USAID funds directly;

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<sup>4</sup> Note that the GDA Incentive Fund is an internal USAID competition.

- The proposed alliance is within the GDA precepts and the alliance program is deemed appropriate under the terms of this APS;
- There is a compelling reason for government and non-government funding resources to be pooled (co-mingled) in the alliance implementing agreement; and
- It would be necessary to make an impracticable number of changes to standard agreement provisions.

For further specifics regarding the Collaboration Agreement, refer to [Annex D](#) for the Acquisition and Assistance Policy Directive (AAPD 04-16) dated December 2004.

## **B. Sectors and Program Objectives**

This Annual Program Statement (APS) seeks to support multiple activities that will be quick to start and responsive to critical developmental needs. It is intended that this APS will be used by mission and pillar or regional bureaus to provide for full and open competition for any proposed alliance involving grants, cooperative agreements or collaboration agreements that are responsive to the terms herein. Note that this APS does not provide for competition needs for goods and services that may be procured under acquisition instruments.

Separate from this APS, missions or bureaus may: a) refer potential partners to the GDA Secretariat for further discussions on USAID's work with the private sector; b) advise interested applicants of an alternate process for any direct submittals to them; or c) develop an entirely separate process for the development of public-private alliances. Alliance activities eligible for specific bureau funding may require different criteria than those listed in this APS. Missions and bureaus may issue solicitations for their particular alliance building activities, or they may also issue announcements that use this vehicle to consider applications for alliances. To determine specific mission interests, potential applicants are encouraged to review mission strategic objectives by visiting respective web sites which can be reached at <http://www.usaid.gov/locations/>.

The sectors listed below represent the areas that will be considered for award as USAID's areas of primary interest for alliances:

- **AGRICULTURE**
- **ANTI-CORRUPTION/GOVERNANCE/CIVIL SOCIETY STRENGTHENING**
- **CONFLICT/ RELIEF AND HUMANITARIAN ASSISTANCE**
- **FOOD SECURITY**
- **ECONOMIC GROWTH AND TRADE CAPACITY BUILDING**
- **EDUCATION**
- **ENVIRONMENT/ENERGY**
- **HEALTH**
- **INFORMATION TECHNOLOGY**
- **URBAN PROGRAMS**

Please see [Annex E](#) for web sites discussing these sectors and programmatic activities



where USAID seeks to develop public-private alliances.

In addition to the above technical sectors, USAID encourages proposals that 1) are related to the President's announcement on the International Methane to Markets Partnership; 2) supports the President's malaria initiative; and 3) engages the role of private industries to increase resources, expertise and financing to fight the spread of bird flu, and to reduce the impact of a pandemic on the global economy.

## **II. PURPOSE OF APS AND QUALIFYING CRITERIA FOR PROSPECTIVE ALLIANCES**

USAID reserves the right to make multiple grants, cooperative agreements, collaboration agreements or no awards at all through this APS. ***This APS seeks public-private alliance proposals only for funding in Fiscal Year (FY) 2006, although proposals should contemplate an alliance that continues beyond FY 2006. Proposals received during FY2006, but unable to be negotiated and awarded prior to September 30, 2006 may be considered for award in FY2007.*** Under this APS, USAID's GDA Secretariat solicits proposals from organizations that are interested in entering into public-private alliances with others, including USAID, to carry out activities that will be responsive to critical mission/operating unit identified development needs in the countries and sectors where USAID seeks to develop alliances. Under this APS, USAID further intends that resource partners will be able to enter into a dialogue with USAID staff to build alliances. USAID will review alliance proposals using a two-stage process more fully described in Sections [III](#) and [IV](#).

There is no dollar value limit or minimum for individual proposals or for cumulative awards made under this APS. However, as a reference, past USAID funding awards have ranged between \$200,000 and \$1,000,000. Missions or Washington operating units may make awards outside of this range. The actual number of awards under this APS is subject to the availability of funds and fit with Mission/Washington operating unit requirements as well as viability of proposals received. Individual Missions may opt to not participate in this worldwide APS. Please consult [Annex A](#) for Missions participating in the solicitation and their specific interests. To be considered for an award under this APS, each applicant must meet the following qualifying criteria:

### **A. Partner Eligibility Criteria**

This Annual Program Statement focuses on establishing public-private alliances to define a need and its solution, and to combine resources to achieve far-reaching, mutually agreed upon results. ***The following list of potential partners is for illustrative purposes because our eligibility criteria are wide. We welcome other new types of partners.*** Potential partners include foundations, U.S. and non-U.S. NGOs, faith-based organizations, U.S. and non-U.S. private businesses, business and trade associations, international organizations, U.S. and non-U.S. colleges and universities, U.S. cities and states, other U.S. Government agencies, civic groups, other donor governments, host country governments, regional

organizations, host country parastatals, philanthropic leaders including venture capitalists, public figures, advocacy groups, pension funds and employee-welfare plans, etc.

It is important to note that NGOs do not need to be registered Private Voluntary Organizations to submit an application. **Potential for-profit applicants should note that USAID policy prohibits the payment of fee/profit to the prime recipient under grants and cooperative agreements. Forgone profit does not qualify as cost-sharing or leveraging.**

In addition, all prospective partners must be organizations with a reputation for integrity and the highest standard of conduct, and a proven track record in their particular areas of expertise. They should be able to demonstrate a respect for human rights, gender sensitivity, decent work conditions, environmental protection, and community involvement in their operational practices. They should also be able to provide evidence of a strong commitment to the proposed alliance and, ideally, experience in working in partnership with others.

Past applicants are welcome to apply. Alliance partners that were funded under previous public private alliance APS's and RFA's are also eligible to apply.

## **B. Program Eligibility Criteria**

To be considered for funding under this APS, proposed programs must meet the following requirements:

1. Alliance proposals must have clearly-defined objectives that have been agreed to by the partners.
2. Alliance proposals are expected to demonstrate significant new, non-public resources – whether money, ideas, technologies, experience or expertise – to address international development problems (see [Leverage](#) criteria).
3. Alliance proposals must address the development needs of one or more countries in which USAID is currently working (see [Annex A](#)) as defined in the Mission-specific strategy document. Alliances that operate in countries where USAID has field presence will be given priority. However, consideration may be given to alliances that seek to operate in countries where USAID does not have a field mission.
4. Alliance proposals must contribute to one or more of the Agency's/Mission's high priority sectoral and programmatic objectives (see [Annex E](#)).
5. Alliance proposals must offer promise of significant development impact, as measured, for example, by the number of direct and indirect beneficiaries of the program, and/or by the potential for replication or scaling-up over time.
6. Alliance proposals must appear feasible from a technical, economic, financial, and social perspective.

It is expected that programs may last from 12 to 60 months. Priority will be given to proposals that can be launched rapidly. USAID will not provide funds under this APS for products and services that would be purchased through a contract.

### C. Leverage<sup>5</sup>

GDA alliances are expected to bring significant new, non-public resources – whether money, ideas, technologies, experience or expertise – to address international development problems. *To qualify for USAID funding under this APS, an alliance must demonstrate that partners are able and willing to collectively contribute significant resources to the proposed program that are at least equal to the level of resources sought from USAID: A minimum 1:1 leveraging is a minimum condition for concept/proposal consideration.* At least some portion of the leveraging must be in cash.

Alliances in which non-USAID resources leveraged have a more clearly defined cash component are generally more competitive.

Further, it must be shown that these resources, in combination with the support sought from USAID, will provide the alliance with a comparative advantage in meeting the goals and objectives of the proposed program.

It is this expectation of significant leverage of non-public resources in combination with joint planning and of sharing risks and benefits, that defines the public-private alliances under the GDA as distinct and different from those activities USAID has previously supported.

## III. APPLICATION INSTRUCTIONS, REVIEW PROCESS, AND EVALUATION CRITERIA

### A. Overview of the Application Process

USAID Missions and Washington operating units will be responsible for the application review process and management of the award process. Applicants are required to submit short concept papers (see below for instructions) to Missions or operating units, and may receive instructions on whether or not to proceed with a full application. Technical

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<sup>5</sup> USAID traditionally defines cash or in-kind resource contributions as “cost-share or matching.” A definition of items that constitute “cost share or matching” can be found at 22 CFR 226.23 (see <[http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/cfr\\_2002/aprqr/22cfr226.23.htm](http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/cfr_2002/aprqr/22cfr226.23.htm)>). Cost-share or matching is reported on a periodic basis on payment forms, and USAID has the right to reduce its share of funding if the cost-share reported is less than the agreed upon percentage or amount contained in the award. Finally, if a difference remains after an award has expired; the difference shall be refunded to USAID. The contributions being proposed in an application do not have to be proposed under the above “cost-share or matching” definition and provision; they can be proposed as “leveraging,” as discussed above. Applicants should indicate whether they are proposing the contributions as “cost-share or matching” or as “leveraging.” If proposing as “leveraging,” applicants should be prepared to provide annual benchmarks that include proposed results to be accomplished with USAID funds and the additional leveraging, and should be prepared to provide annual timelines that include percentages or amounts. The benchmarks and timelines will be included in the terms of any agreement awarded under this solicitation.

comments provided on the concept paper should guide the submission of the full application. Any concepts or applications submitted late in the fiscal year may be held over by the Mission or operating unit for consideration for funding in the following fiscal year.

Applicants are reminded that applications that are: (i) aligned with the goals of a USAID mission or Washington operating unit; (ii) feasible; (iii) innovative; and (iv) bring leveraging of a minimum one-to-one ratio (with at least some portion in cash) will receive consideration. For information about specific mission and operating unit goals and objectives please consult [Annex A](#), and:

<http://www.usaid.gov/policy/budget/cbj2006>

For contact information by mission, please see [Annex A](#).

The GDA Secretariat is responsible for this solicitation and any questions concerning this APS can be submitted to Ms. Kim Kim Yee at the contact information below or by facsimile at (202) 216-3427. A summary of frequently asked questions will be posted on the web at <<http://www.usaid.gov/gda>>.

Kim Kim Yee  
Email: [kyee@usaid.gov](mailto:kyee@usaid.gov)  
(202) 712-1261

**Issuance of this APS does not constitute an award or commitment on the part of the U.S. Government, nor does it commit the U.S. Government to pay for costs incurred in the preparation and submission of a application. Some Missions or operating units may opt not to participate in this APS. Please consult with the point of contact provided in [Annex A](#) to determine the level of interest and whether funds will be made available for alliances.**

## **B. Concept Paper Instructions**

All applications must be made by completing the items below, including the attachments where requested. Not to exceed 5 pages in total.

The concept paper shall include:

### Cover Page/Introduction:

1. Name and address of organization;
2. Type of organization (e.g., for-profit, non-profit, university, etc.);
3. Contact point (lead contact name; relevant telephone, fax and e-mail information).  
Regional or multi-country applications should provide the name of at least one local partner for each country targeted in the program;

4. Names of other organizations (federal and non-federal as well as any other USAID offices) to whom you are/have submitted the application and/or are funding the proposed activity; and
5. Signature of authorized representative of the applicant.

**Technical Information:**

1. Concise title and objective of proposed activity;
2. Discussion of the objectives, the method of approach, the amount of effort to be employed, the anticipated results, and how the work will help accomplish USAID's as well as the field Mission's specific strategic results within the field Mission's timeframe; and
3. Type of support the applicant requests from USAID (e.g., funds, facilities, equipment, materials, personnel resources, etc.).

**Supporting Information:**

1. Proposed estimated cost;
2. Brief cost breakdown (e.g., salaries, travel, etc.);
3. Proposed amount of the applicant's financial as well as in-kind participation;
4. Proposed amount of prospective or existing partner(s) financial as well as in-kind participation;
5. Proposed duration of the activity; and
6. Brief description of applicant's, as well as prospective or existing partner(s') previous work and experience.

**All concept papers must be in English. Concept papers may be submitted in one of the following means: 1) electronically via email; or 2) one hard copy and an accompanying 3.5" diskette OR CD.**

**C. Full Application Instructions**

Missions/Washington operating units have the authority and ability to invite applicants to submit a full application based upon favorable reviews of concept papers. These instructions are illustrative. USAID Missions or operating units may request other information. Note page limits.

**The length of the application should not exceed the following page limits:**

- Budget Information (Standard Form SF-424 and supporting narrative; see [http://contacts.gsa.gov/webforms.nsf/0/B835648D66D1B8F985256A72004C58C2/\\$file/sf424.pdf](http://contacts.gsa.gov/webforms.nsf/0/B835648D66D1B8F985256A72004C58C2/$file/sf424.pdf)): No limit
- Executive Summary: 2 pages
- Body of Application: 25 pages
- All Attachments: 15 pages

**The body of application should include the following information:**

- Table of Contents listing all page numbers and attachments
- Executive Summary

- Program Description
- Goal and Objectives
- Background/Problem Statement
- Explanation of partners and their expected roles including partner and other resources brought to bear (leveraging).
- Proposed Interventions/Technical Approach
- Expected Impact
- Duration of Activity
- Role of USAID (e.g., facilities, equipment, material, or personnel resources)
- Letters or other forms of communication (emails) demonstrating partner intent to participate
- Detailed budget and financial plan with major line items, identification of funding source (i.e., by partner) for each, and a narrative description of what the resources will be used for
- Relevant organizational experiences of recipient and key partner organizations
- Implementation Schedule

In addition to the narrative described above, the application should include as attachments:

- A draft letter of intent from resource partners
- A Memorandum of Understanding, which describes roles, responsibilities and contributions of each alliance partner including USAID (See [Annex F](#)).  
N.B.: The Mission or operating unit will determine whether a finalized MOU is or is not required prior to the award being made.
- Curriculum vitae for key staff.

The annexes may also include relevant information about alliance partners. This can include documentation of intent to participate by other partners. ***Please note excessive documentation submitted under the annexes is neither necessary nor wanted.***

**All applications must be in English. Full applications may be submitted in one of the following means: 1) electronically via email; or 2) one hard copy and an accompanying 3.5” diskette OR CD.**

Missions or Washington operating units will instruct applicants to whom they are to send their applications and when they are due. *Note: An invitation to submit a full application does not constitute an award; USAID may choose to not fund applications even after they have been requested.*

#### **D. Criteria for Application Review**

USAID’s review will focus on assessing the likelihood that the proposed alliance program would be successful in achieving its objectives based on criteria provided below. The factors to be considered include the following:

Primary criteria (in descending order of priority):

1. Fit within USAID's strategic objectives: Does the proposed activity align with USAID Mission or operating unit's strategic plan? Does the proposed activity fit within the Mission or operating unit's strategic time frame?
2. Feasibility (technical, economic, financial, and social)
  - a. Does the program have well-defined and achievable objectives?
  - b. Does the program have the potential to yield significant development results?
  - c. Sustainability and/or the extend of local involvement
3. Value of leveraged resources and/or cost-share
  - a. Above one-to-one leveraging or cost-share
  - b. Demonstrated resource partner commitment: Is there evidence of commitment by a lead partner? Of commitment by other partners? Is there a demonstrated commitment to meet leveraged resource responsibilities?
4. Innovation

Additional criteria that will be considered are (in descending order of priority):

5. Partner Characteristics
  - a. Does the alliance bring new actors to the table?
  - b. Do the potential alliance partners meet ethical standards?
  - c. Do they have proven track records in their particular area of expertise?
  - d. Do they have experience working in partnership with others?
6. Demonstration effect/scalability
7. Readiness for implementation
8. Development impact on men and women, disaggregated by gender
9. Past performance

Note: To the extent that any applications are received for a similar activity in the same mission or operating unit, an application that makes use of highly skilled U.S. volunteers in support of one of the volunteer-based initiatives will be given a preference, all other factors being equal.

## **IV. AWARDING ALLIANCES**

### **A. Due Diligence Concerns**

Due diligence requires that the U.S. Government enter into alliance with organizations and individuals who exhibit fiscal responsibility, character, and integrity. [Annex G](#) sets forth a number of questions, which, if applicable to the organization and program, will be factored into the evaluation and selection process governing an award. Not all the questions are appropriate for all situations. For example, a prospective alliance with a locally-owned private company in a developing country is likely to be quite different



from a headquarters-based alliance with major multinational corporations, and a number of these questions would likely not apply. USAID will conduct an independent review of these issues as they relate to potential alliance partners. However, potential partners are welcome to provide any information deemed useful. Potential partners may be requested to respond to any potential issues that arise as part of the due diligence research, and failure to resolve serious concerns will be cause for non-award. Additional information on USAID's approach to due diligence may be found in the "*Tools for Alliance Builders*" guide available on the GDA website at [www.usaid.gov/gda](http://www.usaid.gov/gda).

## **B. Letter of Intent/Memorandum of Understanding (MOU)**

Upon favorable review of the full proposal, partners including USAID may draft a Letter of Intent/Memorandum of Understanding (MOU), which will be used to clarify roles and responsibilities of each alliance partner. *The Mission or operating unit will determine whether an MOU does or does not need to be in place prior to an award being issued by USAID.* See [Annex F](#) for a sample MOU.

## **C. Role of Partners/Substantial Involvement**

Partners to the alliance effort (including USAID) bring strengths to the table. The actual division of responsibilities and risks are intended to be covered under the Letter of Intent/Memorandum of Understanding prior to finalizing the Agreement. Therefore, the following illustrative list of examples of allocation of responsibility will be adjusted based on the successful alliance proposal, the best use of contributions from multiple partners, and the appropriate assignment of management and implementation responsibilities. USAID's role under some alliances may differ from the traditional role of provider of funds or source of oversight.

### **1. Example of USAID Responsibilities**

Examples of USAID responsibilities are as follows. The Agreement Officer, or as specifically delegated, the Cognizant Technical Officer (CTO) might provide:

- a) Collaboration in establishing annual work objectives and approval of an annual work plan.
- b) Collaboration in assessing progress and identifying issues that arise which may impact the success of the program.
- c) Collaboration in determining corrective actions, where necessary.
- d) Approval of key personnel and any subsequent changes in the positions during the life of the award.

### **2. Example of Resource Partner Responsibilities**

Examples of a Resource Partner's responsibilities may include:

- a) Participation on a management committee overseeing the alliance.



- b) Collaboration in establishing annual work objectives of the implementing partner.
- c) Collaboration in assessing progress and identifying issues that arise which may impact the success of the program.
- d) Collaboration in determining corrective actions, where necessary.

### **3. Example of Implementing Partner Responsibilities**

The implementing partner of the program will operate in accordance with the terms and conditions of the grant, cooperative agreement or the collaboration agreement, the Letter of Intent/Memorandum of Understanding agreed upon by all partners to the alliance as needed, and all other applicable USAID regulations. The implementing partners will likely be responsible for the following activities and documentation during the life of the program:

- a) Requesting approval for program's key personnel;
- b) Working with partners to develop annual workplans;
- c) Conducting ongoing assessment of progress and a final evaluation, and submitting annual reports according to the requirements outlined in the award;
- d) Reporting on contributions of all alliance partners;
- e) Requesting approval for any changes in program description; and
- f) Submitting updated Standard Form 424A annually (section D and E only).

### **D. Budget Negotiations**

Following a favorable proposal review, Applicants will be advised if negotiations are to be initiated, additional information is required, or if a decision has been reached not to fund the proposal.

### **E. Award**

Following favorable negotiations, a grant (including Leaders with Associates), cooperative agreement or a collaboration agreement will be awarded either to the institution proposing the alliance or to a third entity that was proposed to implement the jointly-funded alliance.

### **F. Reporting**

Program implementation reporting will be determined based on the outcome of the collaborative finalization of the planned program and the delineation of roles and responsibilities. An annual performance monitoring plan, using established baseline data and specific, measurable targets and indicators will also be agreed upon.

Financial reporting will be in accordance with the requirements of the obligating document, following mutual agreement of provisions.

## **V. ANNEXES**

**ANNEX A – ELIGIBLE COUNTRY LIST**

**ANNEX B – POINTS OF CONTACTS IN HOST COUNTRIES OR  
WASHINGTON OPERATING UNITS**

**ANNEX C – INCENTIVE FUND GUIDELINES**

**ANNEX D – ACQUISITION AND ASSISTANCE POLICY DIRECTIVE**

**ANNEX E – SECTORAL AND TECHNICAL PROGRAM RESOURCE LIST**

**ANNEX F – DRAFT MOU**

**ANNEX G – DUE DILIGENCE**

**ANNEX H – FREQUENTLY ASKED QUESTIONS**

## ANNEX A

USAID has over 80 missions throughout the developing world (as defined as Development Assistance Committee recipient countries). USAID will give priority to proposals that seek alliance activities in USAID mission presence countries. In some cases where there is a regional or global alliance proposed it is possible to work with partners in some USAID non-mission countries. Activities in all countries are subject to legal and policy restrictions that may change without prior notice.

### USAID MISSION PRESENCE COUNTRY LIST

<u>AFRICA</u>	<u>ASIA AND NEAR EAST (CON'T)</u>	<u>EUROPE AND EURASIA (CON'T)</u>
Angola	Afghanistan	Kosovo
Benin	Bangladesh	Kyrgyzstan
Burundi	Cambodia	Latvia
Democratic Republic of Congo	Egypt	Lithuania
Eritrea	India	Moldova
Ethiopia	Indonesia	Poland
Ghana	Iraq	Romania
Guinea	Jordan	Russia
Guinea-Bissau	Lebanon	Slovak Republic
Kenya	Mongolia	Tajikistan
Liberia	Morocco	Turkmenistan
Madagascar	Nepal	Ukraine
Malawi	Pakistan	Uzbekistan
Mali	Philippines	
Mozambique	Sri Lanka	<u>LATIN AMERICA/CARIBBEAN</u>
Namibia	Thailand	Bolivia
Niger	Vietnam	Brazil
Nigeria	West Bank/Gaza	Colombia
Rwanda	Yemen	Dominican Republic
Senegal		Ecuador
Somalia	<u>EUROPE AND EURASIA</u>	Eastern Caribbean*
South Africa	Albania	El Salvador
Sudan	Armenia	Guatemala
Tanzania	Azerbaijan	Guyana
Uganda	Belarus	Haiti
Zambia	Bosnia-Herzegovina	Honduras
Zimbabwe	Bulgaria	Jamaica
	Croatia	Mexico
	Georgia	Nicaragua
	Hungary	Panama
	FYR Macedonia	Paraguay
	Kazakhstan	Peru

**NOTE: This list of USAID mission presence countries is subject to change without prior notice.**

*\*Antigua, Barbuda, Dominica, St. Lucia, St. Vincent, and the Grenadines*

## USAID NON-MISSION PRESENCE COUNTRY LIST

Below is a list of USAID non-mission countries that may be eligible for non-presence activities. There are various legal and administrative restrictions on USAID activity in these countries.

### AFRICA

Botswana  
Burkina Faso  
Cameroon  
Cape Verde  
Central African Republic  
Chad  
Comoros  
Cote d'Ivoire  
Djibouti  
Equatorial Guinea  
Gabon  
Gambia  
Lesotho  
Mauritania  
Mauritius  
Sao Tome & Principe  
Sierra Leone  
Somalia  
Swaziland  
Togo

### ASIA AND NEAR EAST

Algeria  
Bahrain  
Bhutan  
Fiji  
Iran  
Kiribati  
Laos  
Malaysia  
Maldives  
Oman  
Papua New Guinea  
Qatar  
Samoa  
Solomon Islands  
Tuvalu  
Tunisia  
Vanuatu

### EUROPE AND EURASIA

Macedonia

### LATIN AMERICA/CARIBBEAN

Argentina  
Belize  
Chile  
Costa Rica  
Suriname  
Uruguay

*NOTE: This list of USAID non-mission presence countries is subject to change without prior notice. USAID maintains a list of eligible countries that can be found at:*

[http://www.usaid.gov/our\\_work/global\\_partnerships/gda/eligiblecountrylisting.doc](http://www.usaid.gov/our_work/global_partnerships/gda/eligiblecountrylisting.doc)

## ANNEX B

### USAID POINTS OF CONTACT IN HOST COUNTRIES AND WASHINGTON

*Before submitting a concept paper*, we encourage applicants to speak with a person at the USAID mission and/or Washington operating unit either by phone, email, letter, or in person. The mission and/or Washington operating unit will inform you as to whether or not your idea is appropriate to the country, of interest to the mission, and aligned with USAID goals in the country. Below is a link to a list of USAID mission strategic interests, contact points, and email addresses. For example, if your organization has an idea for an alliance in Bangladesh, your contact point is Mr. K. Balakrishnan, who works at the USAID/India mission in New Delhi.

If, after checking the contact list, you are still unsure of the appropriate person at a USAID mission or Washington operating unit, please contact Ms. Kim Kim Yee at (202) 712-1261 or by e-mail at [kyee@usaid.gov](mailto:kyee@usaid.gov).

#### MISSION/WASHINGTON CONTACT INFORMATION:

[http://www.usaid.gov/our\\_work/global\\_partnerships/gda/GDA\\_Contacts.doc](http://www.usaid.gov/our_work/global_partnerships/gda/GDA_Contacts.doc)

## **ANNEX C**

### **GDA SECRETARIAT PUBLIC-PRIVATE ALLIANCES INCENTIVE FUND**

Applicants may keep the following timelines in mind when submitting proposed alliances so that Missions/Washington operating units may submit proposals to the GDA Secretariat for Incentive Fund monies. The GDA Secretariat Public-Private Alliances Incentive Fund is an internal USAID funding allocation decision-making process: the Secretariat invites USAID missions/Washington operating units to submit their best alliance proposals received under this APS for consideration of Incentive Fund resources.

The GDA Secretariat will consider Mission/Washington operating unit requests for Incentive Fund support beginning on February 13, 2006.

To be eligible for consideration for the Incentive Fund, note the following instructions:

- USAID Missions and Washington operating units will be responsible for the proposal review process and management of the award process. Therefore, it is highly suggested for Applicants to submit concept papers to Mission/Washington operating units by December 16, 2005 so that Missions/Washington operating units will have sufficient time to review the concepts, request applications and submit best proposals to the Secretariat in February. Applications may, however, be submitted throughout the fiscal year to Mission/Washington operating units.
- There is no minimum or maximum financial contribution that may be sought from the GDA Incentive Fund. For reference purposes only, past GDA Incentive Fund awards have ranged from \$200,000 to \$1,000,000.
- Alliances that leverage outside resources of at least 2:1 are preferred. It is still a requirement that at least some portion of the leveraging be in cash.
- Co-funding by Missions/Washington operating units is preferred and will be a determinant in application of GDA incentive funds.
- The actual number of proposals selected for funding is subject to the availability of funds.
- The GDA Secretariat is primarily interested in innovative applications that harness private sector expertise and show a commitment of resources.
- The GDA Incentive Fund will be used primarily for new starts, to launch activities with new partners and strengthen relationships with established private sector entities in new places.
- While the GDA Secretariat welcomes proposals under all technical sectors, the Secretariat would like to encourage democracy and governance activities and is especially interested in receiving Mission/Washington Operating Unit proposals in this sector.

## ANNEX D

### ACQUISITION AND ASSISTANCE POLICY DIRECTIVE

AAPD 04-16

ISSUED: DECEMBER 30, 2004

#### 1. PURPOSE:

This AAPD provides step-by-step guidance for the formation of Global Development Alliances (GDAs), including:

- Step one, **Finding a Partner:** Competition; Public Notice and Advertising Requirements; Appropriate Outreach Efforts (Other than “Discussions or Negotiations”)
- Step two, **Reaching Agreement:** Responsibility Determination and Due Diligence; Cost Share/Match versus Leveraging; and use of MOUs
- Step three: **Funding of GDAs:** contracts, grants and the introduction of the new Collaboration Agreement (CbA)

#### 2. BACKGROUND:

The Global Development Alliance (GDA) initiative, announced in 2001, actively promotes strategic alliances between USAID and private and public sector partners as a business model for achieving United States Government (USG) development assistance objectives. GDA embraces the new reality of development assistance, that flows of private sector assistance to the developing world have overtaken official development assistance (ODA) (in 1970, 70% of assistance to the developing world was ODA and 30% was from the private sector. Today, the percentages are roughly reversed). GDA agreements direct some of this rapidly expanding stream of private funding to the same targets as parallel ODA programs, maximizing the impact of both and affording each partner the chance to bring its comparative advantage to bear on development problems of common interest and concern. The Agency defines a GDA alliance as a public private agreement (PPA) with shared responsibility, joint planning and decision making, new partners and new approaches, shared credit, and an equal or greater ratio of partner funds to USG funds.

An assessment of the GDA business model as it has developed over the past several years at USAID was undertaken in early 2004. The assessment found that the GDA business model is alive and working in all regions of the world, and is evolving into an increasingly important developmental methodology with a huge potential. The assessment also found that it will take time and effort to realize this potential, and recommended that USAID provide both more guidance and more flexibility in entering into alliances. The assessment further recommended entering into alliances that evolve beyond corporate or enterprise ‘social responsibility’ and engage alliance partners’ core businesses or missions.

This guidance is intended to provide both more clarity on the steps to creating successful alliances, and more flexibility to USAID operating units to enter into PPAs/GDAs, while

ensuring that the following four key characteristics, known as the **Alliance Precepts**, are present in successful alliances:<sup>6</sup>

- Joint definition of the development goal and the means to achieve it, by all development partners in the alliance
- Agreement between the PPA partners to share resources and risks, and to collaborate on results in pursuit of an objective that can be better obtained with a joint effort
- Looking toward new partners (or existing partners in new ways) for innovative approaches
- Leveraging significant resources that may include financial resources, in-kind contributions and intellectual property

As you consider these precepts and the guidance below, please keep in mind that Public Private Alliances ARE NOT procurements, they are partnerships. To this end, there are many kinds of GDAs that do not involve obligation of USAID funds to a second party for the benefit of a third party (the aid recipients), such as partnership MOUs. This example is emphasized in order to demonstrate both the scope and flexibility of GDA agreements.

### **3. GUIDANCE ON ALLIANCES:**

The guidance attached at attachments 1, 2 and 3 sets forth step-by-step considerations in reaching a GDA agreement: from competition requirements, advertising and outreach, to reaching agreement on the goals and methods, and finally, formal formation of alliances. While USAID grants and cooperative agreements are appropriately and routinely used (and the contract mechanism remains available), there are some circumstances when the relationship between USAID and another resource partner may be better supported through an alternative alliance agreement. Therefore, this guidance also introduces a new mechanism for formal formation, the Collaboration Agreement (CbA). The CbA is appropriate when:

- A Non-Traditional Partner<sup>7</sup> will be receiving USAID funds directly,
- The proposed alliance is within the GDA precepts, above, and the alliance program is deemed appropriate under the terms of the Annual Program Statement (APS) or Request for Application (RFA),
- There is a compelling reason for the government and non-government funding resources to be jointly programmed, and
- Other funding/implementing mechanisms have been considered and rejected as unfeasible or inappropriate

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<sup>6</sup> Tools for Alliance Builders, Version July 2004, Appendix XX, pg. 34,  
[http://www.usaid.gov/our\\_work/global\\_partnerships/gda/tab.html](http://www.usaid.gov/our_work/global_partnerships/gda/tab.html)

<sup>7</sup> A non-traditional partner is a private organization offering resources at a leveraged ratio in excess of one to one, whose principal business purpose is other than foreign development assistance or whose development assistance purpose was recently established, and who has not routinely received federal funding under traditional grants and cooperative agreements.



#### **4. ATTACHMENTS:<sup>8</sup>**

Attachment 1. Step one, Finding a Partner

Section I. Guidance Regarding Competition, Public Notice & Advertising Requirements for PPAs.

Section II. Guidance Regarding Outreach Efforts

Attachment 2. Step two, Reaching Agreement

Section I. Responsibility and Due Diligence

Section II. Cost Share/Match vs. Leveraging

Section III. Memorandums of Understanding (MOU)

Attachment 3. Step three, Funding the Agreement, including guidance regarding the Collaboration Agreement (CbA).

POINT OF CONTACT: Mark Walther, M/OAA/DCHA, (202) 712-5719, and Jean Horton, USAID A&A Ombudsman, (202) 712-1431.

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<sup>8</sup> Please refer to the following web site for the full text of the policy directive to view the attachments:  
[http://www.usaid.gov/business/business\\_opportunities/cib/pdf/aapd04\\_16.pdf](http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd04_16.pdf)

## ANNEX E

### SECTORAL AND TECHNICAL PROGRAM RESOURCE LIST

#### **AGRICULTURE**

For further information please refer to USAID's Agriculture webpage:

[http://www.usaid.gov/our\\_work/agriculture/](http://www.usaid.gov/our_work/agriculture/)

#### **ANTI-CORRUPTION/GOVERNANCE/CIVIL SOCIETY STRENGTHENING**

For further information please refer to USAID's Democracy and Governance webpage:

[http://www.usaid.gov/our\\_work/democracy\\_and\\_governance/](http://www.usaid.gov/our_work/democracy_and_governance/)

#### **AVIAN INFLUENZA**

#### **CONFLICT/RELIEF AND HUMANITARIAN ASSISTANCE**

For further information please refer to USAID's Humanitarian Assistance, Conflict Management and Transition Initiatives webpages:

[http://www.usaid.gov/our\\_work/humanitarian\\_assistance/](http://www.usaid.gov/our_work/humanitarian_assistance/)

[http://www.usaid.gov/our\\_work/cross-cutting\\_programs/conflict/](http://www.usaid.gov/our_work/cross-cutting_programs/conflict/)

[http://www.usaid.gov/our\\_work/cross-cutting\\_programs/transition\\_initiatives/](http://www.usaid.gov/our_work/cross-cutting_programs/transition_initiatives/)

#### **FOOD SECURITY**

Title II Food Aid resources are eligible for building alliances. For further information, please refer to USAID's Food for Peace webpage: [http://www.usaid.gov/our\\_work/humanitarian\\_assistance/ffp/](http://www.usaid.gov/our_work/humanitarian_assistance/ffp/)

#### **ECONOMIC GROWTH AND TRADE CAPACITY BUILDING**

For further information please refer to USAID's Economic, Growth and Trade webpage:

[http://www.usaid.gov/our\\_work/economic\\_growth\\_and\\_trade/](http://www.usaid.gov/our_work/economic_growth_and_trade/)

#### **EDUCATION**

For further information please refer to USAID's Education, Universities and Training webpage:

[http://www.usaid.gov/our\\_work/education\\_and\\_universities/](http://www.usaid.gov/our_work/education_and_universities/)

#### **ENVIRONMENT/ENERGY**

For further information please refer to USAID's Environment webpage:

[http://www.usaid.gov/our\\_work/environment/](http://www.usaid.gov/our_work/environment/)

#### **HEALTH**

For further information please refer to USAID's Health webpage:

[http://www.usaid.gov/our\\_work/global\\_health/](http://www.usaid.gov/our_work/global_health/)

USAID invites proposals that work specifically towards the reduction of the burden of malaria. Please see [http://www.usaid.gov/our\\_work/global\\_health/id/malaria/index.html](http://www.usaid.gov/our_work/global_health/id/malaria/index.html)

#### **INFORMATION TECHNOLOGY**

For further information please refer to USAID's Information Technology webpage:

[http://www.usaid.gov/our\\_work/economic\\_growth\\_and\\_trade/info\\_technology/index.html](http://www.usaid.gov/our_work/economic_growth_and_trade/info_technology/index.html)

#### **URBAN PROGRAMS**

For further information please refer to USAID's Economic Growth and Trade webpage:

[http://www.usaid.gov/our\\_work/economic\\_growth\\_and\\_trade/urban\\_programs/index.html](http://www.usaid.gov/our_work/economic_growth_and_trade/urban_programs/index.html)

## **ANNEX F**

### **DRAFT MEMORANDUM OF UNDERSTANDING**

Applicants should treat this draft Memorandum of Understanding (MOU) as an example and not necessarily as a model for general use. While an MOU itself is not an obligating document, it may contemplate a future award by USAID even though it does not represent a commitment of any award.

**DRAFT  
MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
AND  
ABCD COFFEE COMPANY, INC.  
AND  
WXYZ FOUNDATION  
AND  
MNOP NGO**

#### **I. PURPOSE AND SCOPE**

The United States Agency for International Development ("USAID") and ABCD Coffee Company, a XX (state) corporation, the WXYZ Foundation, a XX (state) corporation and a tax-exempt education and personal development foundation and the MNOP indigenous environmental NGO (hereafter each a "Party" and collectively, "the Parties"); share the goals of promoting economically sustainable and environmentally sound coffee production for small-holder farmers and farmer organizations in developing countries; increasing investments in such production; and improving the quality of coffee produced for export. The Parties also share the goal of promoting private sector approaches that are environmentally friendly, socially just and economically sustainable.

The purpose of this Memorandum of Understanding ("MOU") is to set forth the understandings and intentions of the Parties with regard to these shared goals. The Parties specifically acknowledge that this MOU is not an obligation of funds, nor does it constitute a legally binding commitment by any Party.

#### **II. IMPLEMENTATION**

To achieve the purposes of this MOU, the Parties, individually and subject to the availability of funds, contemplate activities including technical assistance and technology transfer to small-holder farmer and farmer organizations and coffee producers in developing countries (hereafter "the eligible beneficiaries") to improve coffee quality; research and investment in production, business development, and marketing efforts; and identification and implementation of income diversification options both in and out of the coffee sector.

Specific joint efforts of the parties may include:

- The mutual exchange of information and data on specific sectoral activities - except that deemed privileged or proprietary;

- The coordination of technical assistance, research and other activities involving eligible beneficiaries' coffee production, shipping, handling and processing;
- Promoting environmentally friendly resource management practices by small farmers and farmers organizations;
- Meeting periodically at the request of either Party to share experiences and lessons learned and to facilitate the transmission of "best practices" to regional and country-level partners;
- Cooperation on testing and implementation of verification and certification systems that monitor and measure the impact, effectiveness, and sustainability of activities; and,
- Sharing information on opportunities that may arise for collaboration with other donors and entities that may leverage resources invested by the Parties.

IN WITNESS WHEREOF, the undersigned Parties have agreed:

**ABCD Coffee Company:**

\_\_\_\_\_  
 John Doe  
 Vice President, ABCD Coffee Company  
 Authorized Representative  
 for ABCD Coffee Company

\_\_\_\_\_ Date

**WXYZ Foundation:**

\_\_\_\_\_  
 Bob Smith  
 Vice President, WXYZ Foundation  
 Authorized Representative  
 for WXYZ Foundation

\_\_\_\_\_ Date

**USAID:**

\_\_\_\_\_  
 Jane Jones, USAID  
 Authorized Representative  
 for USAID

\_\_\_\_\_ Date

**MNOP NGO**

\_\_\_\_\_  
 Jane Green  
 President and CEO, MNOP NGO  
 Authorized Representative  
 for MNOP NGO

\_\_\_\_\_ Date

## ANNEX G

### DUE DILIGENCE CONCERNS

#### *Private Sector Companies:*

- (1) What is the company's public image? Has there been anything in the media that would reflect negatively upon the company? If so, how has the company dealt with significant negative publicity? Have there been tensions between the community and the company? Have there been country-specific tensions? Are there any pending lawsuits against the company?
- (2) What is the company's financial integrity? Is the company a publicly traded company? Does the company publish an annual report? Does the company have audited financial statements? Has the company been in business for several years?
- (3) What is the company's reputation for ethical business dealings? Does it have a code of ethics? Does it promote an ethics policy? Does it have an anti-corruption policy?
- (4) To what extent has the company been involved in the production or sale of tobacco, armaments or other socially sensitive issues? Is the company business tobacco or firearms? Is the company a subsidiary of a parent company, which manufactures or sells the above products? Does the company have a policy that is sensitive to the situation of indigenous people? Does the company have a policy sensitive to the issues of involuntary settlement? Does the company have a policy regarding the safety of dams? Does the company have projects in disputed land areas?
- (5) What is the company's personnel policy regarding workplace issues? Does the company have an employee policy handbook? Does the company have a policy governing the promotion, and hiring of children, minorities, and women? Does the company have a non-discrimination policy? Is the company accepting of unions or attempts to organize a union? Does the company have a health and safety action plan for workers? Does the company have a policy for codes of conduct, labor standards? Is the company free from allegations of child or forced labor?
- (6) What is the company's position on action for the environment? Does the company perform, or have performed environmental assessments? Does the company develop environmental reports, action plans? Does the company have a green audit for environmental performance? Is the company's environmental performance record made available to the public? Is the company ISO certified? Does the company have a natural habitat's policy? Do the company's products minimize adverse impact on environment? Does the company have a forestry issues policy?
- (7) What is the company's action to promote social responsibility and community development in the countries where it is doing business? Has the company adopted

standards to govern international operations and practices (labor standards)? For companies with large concessions (oil, gas, hydro) that employ security programs ... does the security policy anticipate the potential for security subcontractors to create human rights violations? Does the company have statements or reports on the practical commitment to corporate social responsibilities?

***Other Alliance Partners:***

Depending on the situation and potential partners, some of the questions above may or may not be applicable to other types of partners, such as non-profit organizations or universities. In selecting potential partners for an alliance proposal, Applicants are encouraged to check with the Better Business Bureau's Wise Giving Alliance program that will reveal the results of a potential non-profit organization's record of business dealings.

## ANNEX H

### FREQUENTLY ASKED QUESTIONS

#### *Dates and Deadlines*

**1. Where do we submit our concept paper and the full proposal?**

Interested applicants are required to submit short concept papers to **Missions and Washington operating units** (i.e. regional bureaus, pillar bureaus, offices) and may receive instructions on whether or not to proceed with a full proposal. Upon invitation, full proposals will also be sent to the USAID Missions or operating units for funding. See the APS for detailed instructions.

**2. Is the December 16<sup>th</sup> deadline for concept papers a final date? We might not be able to submit our APS concept by the December 16<sup>th</sup> deadline. Is it possible to get an extension since our work will greatly contribute to USAID's mission?**

USAID reserves the Right to consider alliance concept papers that come in after the December 16th due date, but resources are limited. We expect a significant number of submissions by that date, and we strongly encourage interested parties to submit their concepts by that deadline.

**3. When will USAID resources become available and over what period will disbursements occur?**

For Mission or Washington operating unit funding, it is anticipated that the funds may become available in late spring, depending upon timely appropriations and the negotiation stage of the procurement action.

For the GDA Incentive Funds, it is anticipated that resources will be allocated to the USAID Missions and Washington operating units in May, 2006. We expect that negotiations and procurement actions should be completed within the following two-months. In some cases, this process could take longer depending upon the U.S. appropriations process as well as procurement delays.

USAID expects that funded programs may last from 12 to 60 months. GDA Incentive Funds are not intended to fund out-years.

**4. Will USAID funding be available exclusively during 2006 or will it be disbursed over the timeline established for the project?**

If an application is accepted, USAID will make an award to the institution proposing the alliance. The agreement officer negotiating the terms of the grant or cooperative agreement will determine with the grantee the appropriate timing

for disbursement of funds from USAID. Most of USAID's programs are incrementally funded on a year-by-year basis until the award is fully funded.

N.B.: GDA Incentive Funds are generally awarded for immediate implementation and are not intended for out-years.

**5. Does the alliance have to be formalized at the time of application?**

No, the alliance does not have to be formalized at the time of application, but the level of partner commitment will be evaluated. As discussed in the APS, each application will be evaluated on whether the alliance brings new actors to the table with proven track records in their particular area of expertise and experience working in partnership with others. In addition, the application should demonstrate the commitment of the partners and could include a draft letter of intent that describes the roles, responsibilities, and contributions of each of the alliance partners. You may also choose to ask your partners to submit documentation of their intent to participate in the alliance. USAID recognizes that alliances may change over time.

**6. Where do I submit a concept that is regional or involves more than one mission?**

This depends on how many missions would be involved and if all missions are within a single region. In general, it is a good idea to submit individual concepts to missions of interest, though for those truly regional or global in scope, you may want to submit to the appropriate Washington operating unit.

***The Role of USAID***

**7. Will USAID only allocate resources for the alliance or will it form a part of the alliance?**

The intention of these alliances is to create a different relationship between the partners. USAID intends to enter into true partnerships with other resource partners in carrying out developmental objectives. USAID's role will vary from alliance to alliance. Please see the APS for an illustrative list of USAID and partner responsibilities.

**8. Does USAID perform the monitoring and evaluation of the project?**

As discussed above, USAID's role will vary from alliance to alliance. USAID may be an active member of the alliance governing structure, or USAID may administer the award through the reporting done by the recipient (quarterly, semi-annually, or annually). The agreement may also call for annual workplans to clarify timing and matters involved in the implementation schedule. There may also be midterm and final evaluations. All of the above will be negotiated in the final terms of the award.



**9. Is the agreement with USAID signed by all the members of the alliance or only with the lead partner?**

Upon favorable review of the full proposal, partners including USAID will determine the appropriateness of signing a memorandum of understanding (MOU) or other document to finalize the roles and responsibilities of each alliance partner. The proposed lead recipient of USAID funds is the signing party to the award.

**10. Some friends and I are thinking about starting a small general store in New Mexico. We are interested in getting a grant to help us start our business. Is this grant something that we can apply for?**

USAID funding supports humanitarian and economic development programs overseas as part of U.S. foreign policy objectives. I would recommend reviewing our web site further at <<http://www.usaid.gov>> to see whether the business you are developing intends to carry out work in any of the overseas program areas and locations noted. Competitive grant solicitations from our agency and all federal agencies are at <<http://www.grants.gov>>. We do not fund the start up of a U.S. business, but do support specific development programs overseas.

***Funding***

**11. Will the GDA Secretariat fund programs in Europe and Eurasia (E&E)?**

The GDA Secretariat anticipates that it will receive Development Assistance resources. However, the Secretariat reserves the right to fund applications in the E&E region for activities that can be replicated outside of the region and are truly innovative. Please note that the Secretariat funded only one activity per year in the E&E region in FY 2004 and FY 2005.

**12. Are loans considered matching funding?**

Consistent with the treatment of this issue in previous years, loans will **not** be counted as leverage under the GDA APS FY06. If an application includes a loan as part of the application, the existence of the loan might increase the feasibility of achieving the intended results of the alliance and therefore might be more likely to win an award over an application which did not have a loan. Also, an alliance with a loan might be evaluated to have better scalability as well.

**13. How will GDA resources be awarded?**

The majority of resources being awarded under this APS are expected to come from USAID Missions and Washington operating units. The GDA Secretariat's Incentive Fund will be used to seed-fund alliances and assist USAID's Missions and Washington operating units in bringing together the best alliances. The Incentive Fund will be used in a competitive manner among the best applications that are received from Missions/operating units.

**14. What is the total amount available for this APS?**

There is no dollar value limit or minimum for individual proposals or for cumulative awards made under this APS. However, as a reference, GDA Incentive Fund awards have ranged between \$200,000 and \$1,000,000, frequently matched by mission and Washington operating unit funds. Missions and Washington operating units may make awards outside this range.

**15. Could you please clarify the requirement that the partner contribution must include private (meaning non-governmental) resources at least equal to 25% of the value of the expected USAID resources?**

The 25% refers to "non-public" cash or in-kind resources. For example, an NGO with an alliance proposal requests \$1 million in USAID funds to be matched by a \$2 million contribution. To qualify as a PPA, the NGO must show that at least 25% of the amount requested from USAID (in this example, \$250,000) is from non-public resources. Private resources could come from corporations, foundations, or the NGO themselves, if they do private fundraising. The other \$1,750,000 that the NGO brings can be from "public" sources such as The World Bank, the UK Department for International Development, or other multilateral or bilateral agencies.

**16. Do the financial contributions from private partners have to be entirely in cash, or can they also be in the form of services, equipment, vehicles, etc.?**

In-kind resources such as services, property, equipment, and supplies are valuable contributions. Alliance proposals must clearly specify what each party is contributing and indicate the cash value of in-kind support. In addition, please see the "Proposal Instructions and Criteria" section and note that at least some portion of the leveraging must be in the form of cash and the total value of private funds should be at least equal to 25% of the value of USAID resources sought.

**17. Does the cash contribution from alliance partners have to be made available at the beginning of the project or can the sums be allocated periodically if such a commitment is made among the partners?**

The appropriate timing of contributions from partners may be proposed by the alliance partners, and it is acceptable for funds to be disbursed periodically over the length of the project.

**18. If you are doing a regional program with individual countries contributing to a program, does an organization have to meet the 1:1 leveraging in each country or in the total aggregate of the grant?**

You only have to meet the total leveraging in the aggregate of the award. One example is the Entra 21 alliance, where we have greater than 1:1 matching in some countries and very little match in others.

**19. It is difficult to launch new partnerships in a one-year time period. Could implementation of a program be extended over a second year with FY06 awarded funds?**

Yes. Awards made in FY06 may be implemented in FY07. Any award under the FY06 APS can be for multiple years; awards under this solicitation can be made for up to 5 years.

**20. Could you advise whether the GDA Secretariat has ever provided a second round of financing for any of your earlier programs? It would be useful to know whether the paragraph about "past applicants are welcome to apply" is a 'real' invitation to apply before we encourage our field offices to expend the effort and expense of preparing another application.**

The GDA Secretariat *generally* does not fund continuation of existing activities from the GDA Incentive Funds. We do, however, encourage you to discuss your proposal with the respective USAID Missions who may wish to pick up existing awards with their own funding. We would consider follow-on GDA activities that expands an alliance into new areas/countries or brings in new partners.

**21. Are there other incentive fund programs that we can apply to?**

Other missions or bureaus may issue their own Incentive Fund solicitations. You can search for these opportunities at: [www.grants.gov](http://www.grants.gov). You may also want to visit mission-specific web pages.

***Sector Specific Issues***

**22. Is HIV/AIDS eligible for GDA funding? Health is mentioned as priority sector—is HIV/AIDS included under health? Would GDA look favorably on projects complimenting existing PEPFAR program support in Vietnam?**

The GDA Secretariat has only Development Assistance funds (non-health) so we will not be able to directly fund health activities. However, the Annual Program Statement can be used by USAID missions or Global Health in Washington to fund HIV/AIDS programs. Please see Annex E of the solicitation for resources for you to identify opportunities in the Global Health Bureau.

**23. Can food aid resources be used under the APS?**

Title II resources are eligible for building alliances. Please send any concept papers to the point of contact in [Annex A](#). The Office of Food for Peace will also issue annual guidelines for Title II programs.

**24. I am participating in an alliance in the health sector in Zambia and, upon reading the APS, it seems that health-sector proposals are treated differently and should be submitted to the USAID Mission (i.e. Zambia) instead of the USAID Global Health Bureau. Is this correct?**

Health proposals may be welcome at the mission level; please contact the appropriate mission to determine their current priorities in the health care field (contacts are listed in [Annex A](#) of the APS).

***Forms and Eligibility***

**25. Where can I find a copy of GDA solicitation?**

On November 1, 2005, USAID released a Global Development Alliance (GDA) Annual Program Statement (APS No. M/OAA/GRO/EGAS-06-07) for Public Private Alliances in eight different program areas. The APS can be downloaded at: [WWW.GRANT.GOV](http://WWW.GRANT.GOV).

**26. How do I propose a regional program? If I have proposal dealing with regional or cross country ideas, where should I submit the initial concept paper?**

Concept papers that are regional should be submitted to the regional points of contacts listed in [Annex A](#) of the GDA APS.

**27. Could you please send me the grant forms for this funding opportunity?**

The only forms not specifically included in the APS are the SF424, 424a, and 424b for which a web site reference was included in the APS: <  
[http://contacts.gsa.gov/webforms.nsf/0/B835648D66D1B8F985256A72004C58C2/\\$file/sf424.pdf](http://contacts.gsa.gov/webforms.nsf/0/B835648D66D1B8F985256A72004C58C2/$file/sf424.pdf)

>. All other items are to be supplied in a written manner in accordance with the instructions and with the items contained within the APS.

**28. Could you send me any related information that will help us to understand what is required for the APS?**

The best source for general information on public-private alliances is the GDA Secretariat webpage at USAID: <<http://www.usaid.gov/gda>>. Please review the

APS and the GDA web site and then contact GDA with any specific questions you may have (see contact information provided in the APS).

**29. We are a Land-Grant Institution; are we eligible to participate?**

Your organization is able to submit an application. The universe of potential applicants is very broad. Please refer to the Eligibility and Proposal Criteria as there are requirements that all applications must meet.

**30. Can an organization submit more than one application for this APS announcement?**

Yes, an organization can submit as many applications as they wish. Please make sure that each is consistent with the guidelines set out in the APS.

**31. The APS states that attachments should include a list of all contracts, grants, or cooperative agreements involving similar or related programs over the past three years. Is a list with the requested information acceptable, or should we also fill out Contractor Performance Reports for each program?**

A list with the relevant information will be sufficient; you do not need to submit Contractor Performance Reports.

**32. Which countries have priorities in agriculture, biosecurity, and/or disaster prevention projects?**

For more information on country priorities, please review the individual Mission websites at <<http://www.usaid.gov/missions>>. The APS appendices may also have information on specific country priorities.

**33. The APS states that missions and bureaus may issue solicitations for their own particular alliance-building activities. Where can I find information on mission and bureau solicitations?**

For other USAID competitive grant solicitations please refer to USAID postings at <<http://www.grants.gov>>. Missions overseas and offices within USAID/Washington post their competitive solicitations at that site.

**34. What is the procedure to develop proposals for a USAID non-mission country, such as Botswana?**

The answer to this question will vary depending on the country. For many non-mission countries, the first step is to contact the mission that covers work in that country. In Botswana, that is the Regional Center for South Africa ([http://www.usaid.gov/locations/sub-saharan\\_africa/countries/rca/](http://www.usaid.gov/locations/sub-saharan_africa/countries/rca/)), which will be able to work with you to determine if your project fits with their objectives.

**35. In the proposal we are developing, one of the proposed private sector partners is an Indian firm. How are non-U.S. partners viewed?**

Non-US organizations can be alliance partners and can contribute resources to an alliance regardless of program location. If the alliance partner is also being proposed to be a recipient of USAID funds, then local firms within the proposed program country are usually acceptable. If a non-U.S. partner is being proposed as a recipient of USAID funds for a country program outside of its own country, then the decision will depend on the cognizant mission for the program.

**36. Our organization is developing a partnership with a foundation and an NGO. At the time we submit our proposal, what type of documentation will we need from our funding and implementing partners?**

Please see the list of suggested attachments of the APS, which includes a draft letter of intent that describes roles, responsibilities, and contributions of each of the alliance partners. You may also choose to ask your partners to submit documentation of their intent to participate in the alliance.

**37. In the APS, are there any requirements regarding the hiring of volunteers to participate in our project?**

No. The APS does discuss Volunteers for Prosperity, a volunteer-based initiative of the USA Freedom Corps designed to support major U.S. development initiatives overseas using the talents of highly skilled Americans who will work with U.S. organizations in countries around the world <<http://www.volunteersforprosperity.gov>>. Consistent with this, USAID encourages the utilization and integration of volunteers, including those participating in Volunteers for Prosperity, as they may be appropriate in your programs.